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£16.7M LOAN FACILITY AND BOND REPAYMENT

SOFTWARE CIRCLE PLC

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Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the UK Market Abuse Regulation. With the publication of this announcement, this information is now considered to be in the public domain.

25 November 2024

Software Circle plc
("Software Circle", the "Group" or "Company")

£16.7m Loan Facility and Bond Repayment

Software Circle (AIM: SFT) is pleased to announce that the Company has entered into new loan facilities of up to £16.7m (the "Facilities") with Shawbrook Bank Limited.

£6.7m of the Facilities will be used to repay, at face value (plus accrued interest and costs), the outstanding bonds in issue from the Company's perpetual bond facility established in July 2020. It is anticipated the bond repayment will occur on or around 25 November 2024.

The remaining £10.0m of the Facilities is structured specifically to enable the Company to continue with its acquisition strategy and is to be utilised by 22 May 2027.

The margin spread over SONIA across the Facilities is in the region of 5%.

The terms of the Facilities include Gross Leverage and Debt Service covenants as follows:

- Gross Leverage, being total debt to EBITDA, not to exceed 3.80:1.00 initially, tapering to 2.50:1.00 by December 2027; and
- Debt service cover, not to be less than 1.10:1.00 during the term of the Facilities.

50% of the funds drawn under the Facilities to repay the bonds is repayable in 60 equal instalments, commencing on 22 December 2024. In addition, following the end of the utilisation period on 22 May 2027, 25% of the additional funds drawn will be repayable in 30 equal instalments, commencing on 22 June 2027. Any outstanding amount under the Facilities is repayable in one instalment on 22 November 2029.

The Facilities have customary arrangement, non-utilisation and early repayment fees.

Gavin Cockerill, CEO of Software Circle, commented: "Our M&A pipeline remains healthy. We intend to deploy our currently available capital before utilising the debt facility which further extends our financial runway, enabling us to pursue additional M&A opportunities. We are committed to maintaining our disciplined approach to acquisitions, ensuring that each addition

is aligned with our culture, enhances our overall value proposition, supports our long-term objectives including our primary financial goal of maximising Operating Cash Flow Per Share."

The Company also announces that it intends to release its interim results for the six months to 30 September 2024 on 5 December 2024.

For further information:

Software Circle plc

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Notes to editors:

Software Circle plc (AIM:SFT) is an acquirer of vertical market software businesses in the UK and Ireland. Our aim is to help founders find the right exit strategy, without fuss or drama. Continuing operations in an independent, decentralised way. Keeping the entrepreneurial spirit and culture that exists in the businesses we acquire. Providing a permanent home for their teams, management talent and culture.

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